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STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
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August 24, 2009

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Catherine P. Awakuni
Executive Director
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
P. O. Box 541
Honolulu, Hawaii 96809

Re: Docket No. 2009-0161 – Application of Hawaiian Beaches Water Company, Inc. ("HBWC") for Review and Approval of Rate Increases; and Revised Rate Schedules.

Dear Parties:

This confirms that a public hearing on the above-referenced application is scheduled, as follows:

Date: Monday, September 21, 2009
Time: 6:00 p.m.
Place: Keonepoko Elementary School Cafeteria
15-890 Kahakai Boulevard
Pahoa, Hawaii 96778

A copy of the "Notice of Public Hearing" is enclosed. The hearing notice is scheduled for publication in compliance with Hawaii Revised Statutes ("HRS") §§ 269-16 and 269-12, as amended, please refer to the last page of the hearing notice.

HBWC is advised to notify its consumers and patrons of the scheduled public hearing and its proposed change in rates in compliance with HRS § 269-12(c), and provide the Division of Consumer Advocacy and the commission with proof of notification prior to the public hearing.

Sincerely,

A handwritten signature in black ink, appearing to read "Ji Sook Kim".

Ji Sook Kim
Commission Counsel

LK:laa

Enclosure

c: Morihara Lau & Fong LLP

NOTICE OF PUBLIC HEARING

APPLICATION OF HAWAIIAN BEACHES WATER COMPANY, INC. FOR REVIEW AND APPROVAL OF RATE INCREASES; AND REVISED RATE SCHEDULES

Docket No. 2009-0161

The STATE OF HAWAII PUBLIC UTILITIES COMMISSION ("Commission"), pursuant to Hawaii Revised Statutes §§ 269-12 and 269-16, HEREBY GIVES NOTICE that it will hold a public hearing on **Monday, September 21, 2009, 6:00 p.m. at Keonepoko Elementary School Cafeteria** (15-890 Kahakai Boulevard, Pahoa, Hawaii, 96778), regarding the application of HAWAIIAN BEACHES WATER COMPANY, INC. ("HBWC"), filed on July 17, 2009, for Commission approval of rate increases and revised rate schedules ("Application").

HBWC, successor-in-interest to Miller and Lieb Water Company, Inc., is a public utility authorized to provide water service to the residents and occupants of the Hawaiian Beaches subdivision, located in Pahoa, District of Puna, on the island of Hawaii. Through the Application, HBWC is seeking to convert the recurring charges of its rate structure from a wholly fixed monthly Water Service Charge of \$48.06 per residential customer to a structure that also includes a monthly Water Usage Charge. Specifically, HBWC is proposing to change the recurring charges of its rate structure as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Percentage Increase</u>
<u>Recurring Charges:</u>			
Fixed Monthly Service Charge (per unit)	\$48.06	\$30.00	-37.6%
Monthly Water Usage Charge (per 1,000 gallons)	none	\$5.7818	n/a

The changes or increases proposed by HBWC will produce additional revenues of \$310,302, or an approximate 48.6% increase over total revenues at present rates for the January 1, 2010, through December 31, 2010 test year ("Test Year"). The requested increase is

based on an estimated total revenue requirement of \$949,434 for the Test Year, and a proposed rate of return of 9%. The total revenue requirement for the Test Year will not exceed the amount that HBWC requests in its Application. However, the increases in HBWC's rates and charges to be finally approved by the Commission, if any, may be higher or lower than the rates and charges noted in HBWC's Application.

Copies of HBWC's Application are available for public review: (1) on the Commission's website, at <http://puc.hawaii.gov/RII/water/Dockets>; or (2) through the Commission's electronic Document Management System, accessible at <http://dms.puc.hawaii.gov/dms/>. In addition, copies of HBWC's Application are also available for review by contacting HBWC [(808) 965-9882], the Commission's Honolulu Office (toll-free from the island of Hawaii, at 974-4000, ext. 62020), or the Division of Consumer Advocacy (toll-free from the island of Hawaii, at 974-4000, ext. 62800).

All interested persons are invited to attend the public hearing to state their views. Statements may also be mailed to the Public Utilities Commission, 465 South King Street, Room No. 103, Honolulu, Hawaii, 96813, or e-mailed to Hawaii.PUC@hawaii.gov. All written statements should reference Docket No. 2009-0161. Motions to intervene or participate in this proceeding must comply with Subchapter 4, *Rules of Practice and Procedure Before the Public Utilities Commission*, Hawaii Administrative Rules, Title 6, Chapter 61, and must be filed with the Commission's Honolulu Office by **October 1, 2009**. Special accommodations for persons with disabilities can be made if requested reasonably in advance by contacting the Commission's Honolulu Office.



Carlito P. Caliboso
Chairman

Hawaii Tribune-Herald
West Hawaii Today
August 31 and September 14 and 20, 2009